

161.553 Funding of past statutory benefit improvements -- Schedules for appropriations -- Cost-of-living increases -- Feasibility study of employer contribution rate stabilization.

- (1) The cost of providing statutory benefit improvements for annuitants may be funded by annual appropriations from the state on an actuarial amortized basis over the lifetime of the annuitants. The schedules in subsections (1)(a), (1)(b), and (1)(c) of this section are the annual appropriations which shall be made by the state for benefit improvements approved in the respective fiscal years or bienniums prior to July 1, 2008:

(a)	Cost-of-Living	2006-2007	Each Succeeding Fiscal Year
	Allowance		
	1992-1994	\$2,229,400	\$1,125,700 in 2007-2008
	1994-1996	\$6,142,000	\$6,142,000 through 2010-2011
	1996-1998	\$4,459,000	\$4,459,000 through 2010-2011
	1998-2000	\$15,333,900	\$15,333,900 through 2012-2013
			and
			\$7,938,600 through 2013-2014
	2000-2002	\$12,511,400	\$12,511,400 through 2014-2015
			and
			\$7,227,700 in 2015-2016
	2002-2004	\$21,405,700	
			\$21,405,700 through 2021-2022
			and
			\$11,204,100 in 2022-2023
	2004-2006	\$15,413,700	\$15,413,700 through 2023-2024
			and
			\$7,421,400 in 2024-2025
(b)	Minimum Value 2006-2007		Each Succeeding Fiscal Year

Annuities

1992-1994 \$2,217,700

1994-1996 \$2,126,000 \$2,126,000 through 2008-2009

2002-2004 \$3,375,900

\$3,375,900 through 2016-2017

and

\$2,027,800 in 2017-2018

(c) Sick Leave 2006-2007

Each Succeeding Fiscal Year

Allowance

1998-2000 \$4,660,300

\$4,660,300 through 2012-2013

and

\$2,425,900 through 2013-2014

2000-2002 \$6,167,100

\$6,167,100 through 2014-2015

and

\$3,579,100 in 2015-2016

2002-2004 \$5,337,000

\$5,337,000 through 2021-2022

and

\$3,968,300 in 2022-2023

2004-2006 \$7,261,100

\$7,261,100 through 2023-2024

and

\$4,339,500 in 2024-2025

2006-2008 \$4,293,800

\$9,211,000 through 2025-2026

and

\$4,917,200 in 2026-2027

- (2) The cost of providing the transitional funding for the state medical insurance fund stabilization contribution as provided by KRS 160.550(2) may be funded by annual appropriations from the state on an amortized basis. The schedule in this subsection is the annual appropriation which shall be made by the state in the respective fiscal years or biennium prior to July 1, 2008:

Amortization of	2006-2007	Each Succeeding Fiscal Year
Transitional Funding	\$13,325,100	\$13,325,100 through 2014-2015 and \$9,075,500 in 2015-2016

- (3) The Kentucky Teachers' Retirement System is directed to study the feasibility of stabilizing the employer contribution rate set forth in KRS 161.550 should the state use the funding provided under this section to issue pension obligation bonds, the proceeds of which would be deposited with the Kentucky Teachers' Retirement System for investment and payment of retirement benefits. The cost of the feasibility study shall be paid by the Kentucky Teachers' Retirement System.
- (4) The present values of providing statutory cost-of-living increases for annuitants not included in subsection (1) of this section are to be assigned to the unfunded obligations of the retirement system and are identified as follows:

1986-1988	\$34,689,893
1990-1992	\$68,107,473
1992-1994	\$15,749,976

Effective: July 1, 2006

History: Amended 2006 Ky. Acts ch. 189, sec. 1, effective July 1, 2006. -- Amended 2004 Ky. Acts ch. 121, sec. 13, effective July 1, 2004. -- Amended 2002 Ky. Acts ch. 275, sec. 21, effective July 1, 2002. -- Amended 2000 Ky. Acts ch. 498, sec. 14, effective July 1, 2000. -- Amended 1998 Ky. Acts ch. 515, sec. 9, effective July 1, 1998. -- Amended 1996 Ky. Acts ch. 359, sec. 10, effective July 1, 1996. -- Amended 1994 Ky. Acts ch. 369, sec. 15, effective July 1, 1994. -- Created 1992 Ky. Acts ch. 192, sec. 13, effective July 1, 1992.

Legislative Research Commission Note (7/12/2006). When this statute was amended in 2006 Ky. Acts ch. 189, sec. 1, the phrase "\$3,968,300 in 2022-2023" was inadvertently omitted from subsection (1)(c). This phrase was part of the existing language of the statute at the time of the amendment, and the Reviser of Statutes has restored the omitted material in accordance with KRS 446.280.